

**State of California
AIR RESOURCES BOARD**

EXECUTIVE ORDER G-12-092

October 2012

WHEREAS, sections 39600 and 39601 of the Health and Safety Code authorizes the Air Resources Board (ARB or Board) to adopt standards, rules, and regulations and to do such acts as may be necessary for the proper execution of the powers and duties granted to and imposed upon the Board by law;

WHEREAS, section 39003 of the Health and Safety Code charges the Board with coordinating efforts to attain and maintain ambient air quality standards, to conduct research into the causes of and solution to air pollution, and to systematically attack the serious problem caused by motor vehicles, which is the major source of air pollution in many areas of the State;

WHEREAS, chapter 3.2 commencing with section 39625 of the Health and Safety Code established the Proposition 1B: Goods Movement Emission Reduction Program (Program) to implement the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, also known as Proposition 1B, which authorizes one billion dollars (\$1,000,000,000) in bond-funded incentives for ARB to reduce emissions associated with the movement of freight along California's trade corridors;

WHEREAS, section 39625.5(b)(1) of the Health and Safety Code requires the Board to allocate funds to local agencies in a manner that gives priority to emission reduction projects that achieve the earliest possible reduction of health risk in communities with the highest health risks from goods movement facilities;

WHEREAS, section 39626.5(b) of the Health and Safety Code requires the local agencies receiving grants from ARB to award contracts and liquidate funds within set timeframes or the funds revert back to the legislatively-controlled California Ports Infrastructure, Security, and Air Quality Improvement Account;

WHEREAS, on February 28, 2008, the Board adopted ARB Resolution 08-12 approving the Proposition 1B Goods Movement Emission Reduction Program: Guidelines for Implementation (Program Guidelines);

WHEREAS, on March 25, 2010, in Resolution 10-18, the Board adopted updated Program Guidelines, including overall funding targets, priorities for future funding, and a priority funding concept for drayage trucks to assist owners with the second phase of drayage truck upgrades;

WHEREAS, in Resolution 10-18, the Board affirmed the existing authority of ARB staff to interpret or clarify the Program Guidelines and, in Resolutions 09-40 and 10-18, delegated to the Executive Officer, or his or her designee, the authority to adopt changes to the Program Guidelines that he or she deems necessary to enable effective implementation of the Program, provided that such changes are consistent with statute and the goals established by the Board. The Board also directed staff to identify those changes when the Board considers the next comprehensive update to the Program Guidelines;

WHEREAS, on December 5, 2011, ARB staff released the *2011 Funding Awards Staff Report* (2011 Staff Report) that identified its final list of primary and backup projects to receive funding, including both \$100.8 million from the Fall 2011 bond sales to support drayage priority reserve projects and other truck projects, as well as any additional funding from the Spring 2012 bond sales. The 2011 Staff Report contained a detailed process for the allocation of unused drayage funds and Spring 2012 bond proceeds, including consideration of trade corridor funding targets, documented demand for funding, and other relevant factors;

WHEREAS, on December 16, 2011, in Resolution 11-40, the Board adopted the primary list of projects to be funded by \$100.8 million from the Fall 2011 bond sales. The Board also adopted a backup list of projects and directed the Executive Officer, and his or her designee, to determine the funding amount for each agency and enter into grant agreements with these agencies as appropriate. The Board delegated to the Executive Officer, or his or her designee, the ability to implement the process in the 2011 Staff Report to finalize the funding amounts for the primary drayage truck projects and the funding amounts available for backup projects to ensure that bond monies can be expeditiously implemented to benefit air quality and the economy. Where additional funding becomes available, the Board delegated to the Executive Officer the authority to select the projects to be funded from the backup list. For any recaptured funds, the Board delegated to the Executive Officer, and his or her designee, the authority to select the projects to be funded with any recaptured funds, consistent with program funding priorities;

WHEREAS, in Spring 2012, ARB received \$15.75 million in upfront proceeds from the April bond sales to fund additional projects;


WHEREAS, in August 2012, the Bay Area Air Quality Management District notified ARB that \$5,076,500 originally targeted for primary drayage truck projects would not be needed and could be recaptured to fund other truck projects consistent with the 2011 Staff Report;

WHEREAS, in September 2012, the South Coast Air Quality Management District notified ARB that \$572,250 originally targeted for primary drayage truck projects would not be needed and could be recaptured to fund other truck projects consistent with the 2011 Staff Report;

WHEREAS, ARB staff have used the process in the 2011 Staff Report to determine the allocation of \$15.75 million from Spring 2012 bond sales and \$5.65 million in unused drayage funds, as shown in Attachment A.

NOW, THEREFORE, BE IT ORDERED that pursuant to the delegation of authority by the Board in Resolutions 09-40 and 10-18, the Executive Officer hereby allocates the funds shown in Attachment A for implementation of projects awarded FY2011-12 funds. Any grants made with these new monies shall be subject to the provisions of the Program Guidelines as modified via Board Resolution or Executive Order.

Executed at Sacramento, California this 23 day of OCTOBER 2012.



James N. Goldstene
Executive Office

ATTACHMENT A
Proposition 1B: Goods Movement Emission Reduction Program

Allocation of Unused Drayage Funds and Spring 2012 Proceeds

The 2011 Staff Report contained a detailed process for the allocation of unused drayage funds and Spring 2012 bond proceeds, including consideration of trade corridor funding targets, documented demand for funding, and other relevant factors. ARB worked closely with the local agencies to gather the information needed to follow this process and determine the allocations shown below. Funds allocated to FY2011-12 grants will be used for truck projects on approved ranked lists from the Spring 2011 solicitations.

From	Local Agency	To	Amount Transferred	New Grant Total (including transferred funds)
Unused Drayage Funds (from G11GMBP1)	Bay Area District	Other Truck Grant (G11GMBT1)	\$5,076,500	\$13,225,760
Unused Drayage Funds (from G11GMLP1)	South Coast District	Other Truck Grant (G11GMLT1)	\$572,250	\$64,334,412
Spring 2012 Proceeds (\$15.75 million)	South Coast District		\$10,240,400	
	San Joaquin District	Other Truck Grant (G11GMCT1)	\$5,509,600	\$22,676,212